

HOUSE BILL 19

By Shepard

AN ACT to amend Tennessee Code Annotated, Title 67,
Chapter 5, relative to tax sales.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 67, Chapter 5, Part 25, is amended by adding the following as a new section:

67-5-2516.

(a) Whenever a county acquires property at a tax sale, any non-governmental entity holding a vested and duly recorded contractual right to payment of fees or assessments secured by such property shall retain such right; provided that during the term of such governmental ownership, not to exceed twenty-four (24) months from the date of entry of the order confirming such tax sale, the county shall not be liable for the payment of any such fees or assessments, and the non-governmental entity may only enforce such contractual rights to payment through exercise of its lien rights against the property.

(b) At any time during its ownership of the property, a county under subsection (a) may surrender the property to the non-governmental entity claiming duly recorded contractual lien rights in full satisfaction of any such fees or assessments.

(c) This section shall only apply in any county having a population of not less than twenty-two thousand six hundred seventy-six (22,676) nor more than twenty-two thousand seven hundred (22,700) according to the 2010 federal census or any subsequent federal census.

SECTION 2. If any provision of this act or the application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions of the act which can

be upheld without the invalid provision, and to that end the provisions of this act are declared to be severable.

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.